

AMENDED IN ASSEMBLY MAY 6, 2015

AMENDED IN ASSEMBLY APRIL 9, 2015

AMENDED IN ASSEMBLY MARCH 26, 2015

CALIFORNIA LEGISLATURE—2015–16 REGULAR SESSION

**ASSEMBLY BILL**

**No. 629**

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**Introduced by Assembly Member Perea**

February 24, 2015

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An act to amend Sections 62070, 62071, and 62075 of the Food and Agricultural Code, relating to market milk.

LEGISLATIVE COUNSEL’S DIGEST

AB 629, as amended, Perea. Market milk: stabilization and marketing plans: minimum prices.

Existing law authorizes the Secretary of Food and Agriculture to formulate stabilization and marketing plans that establish the prices to be paid by milk handlers for specified classes of market milk. Existing law provides that a stabilization and marketing plan may provide for, among other things, maximum charges for plant processing and transportation services, and minimum charges for the various services performed by a nonprofit cooperative association regarding class 1 market milk. Existing law authorizes the secretary to establish separate prices for various components of market milk other than class 1 market milk.

This bill would require the secretary to ensure that producers and handlers receive notice of the monthly prices for the various components of market milk, as specified. The bill would also make nonsubstantive changes to the provisions regarding maximum and minimum charges for services, as specified above.

Vote: majority. Appropriation: no. Fiscal committee: yes.  
State-mandated local program: no.

*The people of the State of California do enact as follows:*

1     SECTION 1. Section 62070 of the Food and Agricultural Code  
2     is amended to read:

3     62070. Each stabilization and marketing plan may further  
4     provide for maximum charges for plant processing and  
5     transportation service on the market milk or market milk  
6     components that are transported to the area where sold. The  
7     stabilization and marketing plan may enumerate the applicable  
8     maximum charges, and may establish individual charges for each  
9     function enumerated. In establishing any maximum charges for  
10    transportation services, the secretary shall base the maximum  
11    charges upon the rates that are charged for actual or reasonably  
12    similar services by highway carriers, as the term “highway carriers”  
13    is defined in Section 737.3 of the Public Utilities Code.

14    SEC. 2. Section 62071 of the Food and Agricultural Code is  
15    amended to read:

16    62071. Each stabilization and marketing plan may provide for  
17    minimum charges for the various services performed or rendered  
18    by a nonprofit cooperative association with respect to class 1  
19    market milk sold or delivered to another handler. Handler services  
20    include component testing for payment purposes, quality control,  
21    producer payroll, and weighing and sampling of bulk market milk.  
22    Each stabilization and marketing plan may also include, but not  
23    be limited to, minimum charges for the handling of intermittent  
24    or irregular deliveries of market milk and plant standby services.  
25    The stabilization and marketing plan may enumerate applicable  
26    minimum charges and establish individual charges for each service  
27    enumerated or, in the alternative, the secretary may establish one  
28    or more minimum charges covering one or more of the separate  
29    handler services.

30    SEC. 3. Section 62075 of the Food and Agricultural Code is  
31    amended to read:

32    62075. (a) The secretary shall establish the minimum prices  
33    to be paid by handlers to producers for class 1 usage of market  
34    milk upon a milk fat, solids-not-fat or the subcomponents thereof,  
35    and fluid carrier basis. In establishing the minimum prices for

1 classes of market milk other than class 1, separate prices may be  
2 established for any one or more of the following:  
3 (1) The milk fat contained in the milk.  
4 (2) The solids-not-fat or subcomponents thereof contained in  
5 the milk.  
6 (3) The fluid contained in the milk.  
7 (4) Any combination of the milk fat, the solids-not-fat or  
8 subcomponents thereof, or the fluid contained in the milk.  
9 (b) The secretary shall ensure that producers and handlers  
10 receive notice in writing, ~~and~~ by posting on the department's  
11 Internet Web-site *site*, or by other means deemed appropriate by  
12 the secretary, of the monthly price of each component specified  
13 in subdivision (a).

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